

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
HARLAN COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period
July 1, 2008 Through June 30, 2009**



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Independent Accountant's Report

Jonathan Miller, Secretary, Finance and Administration Cabinet
The Honorable Felicia Wooten
Harlan County Property Valuation Administrator
Harlan, Kentucky 40831

We have performed the procedures enumerated below, which were agreed to by the Harlan County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period July 1, 2008 through June 30, 2009. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Harlan County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (June 30, 2009) for all bank accounts, to determine if amounts are accurate.

Finding -

The PVA maintains a receipts and disbursements ledger. The PVA reconciles the bank statement to the checkbook each month. The PVA keeps copies of all transmittal letters accompanying receipts.

2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

All payments by the cities were confirmed. The list of cities was complete.



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3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

All payments from the fiscal court were compared to the PVA's bank statements. The budgeted statutory contribution by the fiscal court compared favorable to the legally required amounts calculated by the Department of Revenue. All fiscal court payments from the fiscal court statutory budgetary account were traced to the PVA's bank account.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (if any) to determine if expenditures are for official business.

Finding -

The auditor judgmentally selected fifteen (15) disbursements from the PVA's records and agreed amounts to cancelled checks, paid invoices or other supporting documentation. All expenditures were for official business. The PVA does not have a credit card at this time.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

The PVA capital outlay disbursements were traced to cancelled checks and supporting documentation. The PVA followed proper purchasing procedures. Newly acquired assets were verified and assets were added to the PVA's Capital Asset Inventory List.

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6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

The auditor scanned the vehicle lease agreement and compared to actual payments. There were no personal service contracts or professional contracts.

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

The PVA's final budget was compared to actual expenditures to determine if the PVA had overspent the budget. The PVA did not overspend the budget.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if a collateral agreement exists.

Finding -

It was determined that collateral is not necessary for the PVA's funds; therefore, no collateral agreement is necessary.

9. Procedure -

Determine whether timesheets are completed, maintained, approved, and support hours worked.

Finding -

Timesheets were maintained by the PVA's staff, approved by the PVA, and supported hours worked.

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10. Procedure -

Determine whether cash balances were properly transferred from former PVA to new PVA.

Finding -

This procedure does not apply since the PVA came into office December 2006.

11. Procedure -

For newly hired employees, during July 1, 2008 through June 30, 2009, of the PVA office determine if the Ethics Certification Form has been completed and is on file.

Finding -

This procedure does not apply since there were no new employees.

12. Procedure -

Determine if the PVA's office was closed any day other than the state's approved holidays. If so, determine if the proper procedures and forms were completed.

Finding -

The PVA's office observes state approved holidays.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", written in a cursive style.

Crit Luallen
Auditor of Public Accounts

June 9, 2010